

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the quarter ended 30 September 2014

The figures are unaudited

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR PERIOD ENDED 30 SEPTEMBER 2014**

	3 Months Ended 30 September		9 Months Ended 30 September	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Revenue	120,371	123,633	352,387	376,630
Operating profit	19,670	17,031	66,512	52,625
Interest expense	(22)	(187)	(270)	(851)
Interest income	1,034	652	3,199	2,210
Share of loss of associate	(84)	(14)	(238)	(201)
Profit before tax	20,598	17,482	69,203	53,783
Taxation	(4,351)	(3,767)	(15,215)	(14,636)
Profit for the period	16,247	13,715	53,988	39,147
Profit attributable to:				
Ordinary equity holders of the Company	14,635	13,715	52,376	39,147
Holder of private debt securities of the Company	1,612	-	1,612	-
	16,247	13,715	53,988	39,147
Earnings per share ("EPS") attributable to Ordinary equity holders of the Company (sen):				
Basic EPS	3.64	3.81	13.99	10.87
Diluted EPS	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2013.

PARAMOUNT CORPORATION BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR PERIOD ENDED 30 SEPTEMBER 2014**

	3 Months Ended 30 September		9 Months Ended 30 September	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Profit for the period	16,247	13,715	53,988	39,147
Other comprehensive income	(532)	312	(139)	(656)
Total comprehensive income for the period	15,715	14,027	53,849	38,491
Total comprehensive income attributable to:				
Ordinary equity holders of the Company	14,103	14,027	52,237	38,491
Holder of private debt securities of the Company	1,612	0	1,612	0
	15,715	14,027	53,849	38,491

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2013.

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the quarter ended 30 September 2014

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014**

	As at 30/9/2014	As at 31/12/2013
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	390,766	317,491
Land held for property development	554,689	457,634
Investment properties	68,393	61,118
Intangible asset	15,674	15,674
Investment in associates	8,172	8,604
Other investments	342	342
Deferred tax assets	10,109	9,774
	<u>1,048,145</u>	<u>870,637</u>
Current assets		
Property development costs	139,645	131,628
Inventories	399	1,732
Trade receivables	96,991	105,382
Other receivables	18,877	22,325
Other current assets	42,411	17,777
Tax recoverable	9,933	4,818
Other investments	1,809	1,530
Cash and cash equivalents	159,057	110,544
	<u>469,122</u>	<u>395,736</u>
Assets held for sale	13,694	35,956
	<u>482,816</u>	<u>431,692</u>
Total assets	<u>1,530,961</u>	<u>1,302,329</u>
Current liabilities		
Borrowings	83,488	41,402
Trade payables	89,780	109,335
Other payables	80,806	77,746
Tax payable	6,056	3,195
Other current liabilities	94,097	49,132
	<u>354,227</u>	<u>280,810</u>
Net current assets	<u>128,589</u>	<u>150,882</u>
Non-current liabilities		
Borrowings	267,129	276,344
Deferred tax liabilities	17,875	18,077
	<u>285,004</u>	<u>294,421</u>
Total liabilities	<u>639,231</u>	<u>575,231</u>
Equity		
Share capital	211,132	168,906
Reserves	630,811	558,192
Private debt securities	49,787	0
Total equity	<u>891,730</u>	<u>727,098</u>
Total equity and liabilities	<u>1,530,961</u>	<u>1,302,329</u>
Net assets (NA) per share (RM)	<u>1.99</u>	<u>2.15</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2013.

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the quarter ended 30 September 2014

The figures are unaudited

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR PERIOD ENDED 30 SEPTEMBER 2014**

	Share Capital RM'000	<-----Non Distributable-----> Share Premium RM'000	Translation Reserve RM'000	Distributable Retained Earnings RM'000	Private debt securities RM'000	Total Equity RM'000
As at 1 January 2014	168,906	41,631	(1,006)	517,567	-	727,098
Total comprehensive income	-	-	(139)	52,376	1,612	53,849
Transactions with owners						
Issuance of private debt securities	-	-	-	-	49,787	49,787
Issuance of shares - rights issue	42,226	50,672	-	-	-	92,898
Expenses for rights issue	-	(1,154)	-	-	-	(1,154)
Dividends	-	-	-	(29,136)	-	(29,136)
Private debt securities distribution	-	-	-	-	(1,612)	(1,612)
Total transactions with owners	42,226	49,518	-	(29,136)	48,175	110,783
As at 30 September 2014	211,132	91,149	(1,145)	540,807	49,787	891,730
As at 1 January 2013	168,906	41,631	-	489,400	-	699,937
Total comprehensive income	-	-	(656)	39,147	-	38,491
Transactions with owners						
Dividends	-	-	-	(25,336)	-	(25,336)
As at 30 September 2013	168,906	41,631	(656)	503,211	-	713,092

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2013.

PARAMOUNT CORPORATION BERHAD

Interim Financial Report for the quarter ended 30 September 2014

The figures are unaudited

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR PERIOD ENDED 30 SEPTEMBER 2014**

	9 Months Ended	
	30/9/2014	30/9/2013
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	69,203	53,783
Adjustment for:		
Non-cash items	9,325	10,516
Non-operating items	(18,644)	(1,552)
Operating profit before working capital changes	59,884	62,747
Increase in receivables	(2,592)	(40,777)
Increase in development properties	(4,662)	(12,784)
Decrease in inventories	1,334	-
Increase in payables	17,814	3,186
Cash generated from operations	71,778	12,372
Taxes paid	(18,005)	(13,222)
Interest paid	(10,764)	(8,645)
Net cash generated from/(used in) operating activities	43,009	(9,495)
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in land held for development	(47,934)	(7,982)
Purchase of property, plant and equipment	(124,560)	(39,066)
Purchase of investment properties	(11,027)	(720)
Proceeds from disposal of property, plant and equipment	369	48
Proceeds from disposal of assets held for sale	42,083	948
Increase in other investment	(279)	-
Interest received	3,199	2,209
Net cash used in investing activities	(138,149)	(44,563)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(29,136)	(25,336)
Proceeds from borrowings	42,879	31,303
Issuance of Islamic Medium Term Notes - Net	21,600	37,535
Proceeds from Rights issue	92,898	-
Payment of Rights issue related expenses	(1,154)	-
Proceeds from issuance of PDS	50,000	-
Payment of PDS related expenses	(213)	-
PDS distribution	(1,612)	-
Repayment of borrowings	(31,609)	(19,548)
Net cash generated from financing activities	143,653	23,954
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	48,513	(30,104)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	110,544	122,128
CASH AND CASH EQUIVALENTS AT END OF PERIOD	159,057	92,024
	30/9/2014	30/9/2013
	RM'000	RM'000
Cash and cash equivalents comprise:		
Cash and bank balances	59,397	28,598
Fixed deposits	99,660	63,426
	159,057	92,024
Cash and bank balances held in HDA accounts	39,636	16,145

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2013.

PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the quarter ended 30 September 2014

The figures are unaudited

PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (“FRS”) 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2013. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2013.

A2. Changes in accounting policies

The new and revised FRSs, Amendments to FRS and IC Interpretations which are mandatory for companies with financial periods beginning on or after 1 January 2014 did not have any significant effects on the financial statements of the Group.

Standards issued but not yet effective

The directors expect that the adoption of the new FRSs, Amendments to FRSs and Interpretations which are issued but not yet effective for the financial year ending 31 December 2014 will not have any material impact on the financial statements of the Group in the period of initial application, other than as disclosed below:

FRS 9 Financial Instruments

FRS 9 reflects the first phase of work on the replacement of FRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139. The adoption of this first phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets but will potentially have no impact on classification and measurements of financial liabilities.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the MFRS Framework.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

A2. Changes in accounting policies (cont'd)

Malaysian Financial Reporting Standards (MFRS Framework) (cont'd)

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for three years. Consequently, the adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2017.

The Group falls within the definition of Transitioning Entities and accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2017. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

A3. Audit report qualification

The audit report for the financial year ended 31 December 2013 was not subject to any qualification.

A4. Seasonal or cyclical factors

The operations of the Group were not materially affected by any factor of a seasonal or cyclical nature.

A5. Exceptional or unusual items

Save for items disclosed in Note A9, there were no items of an exceptional or unusual nature that have affected the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year to date.

A6. Changes in estimates of amounts reported previously

There were no significant changes in estimates in prior periods that have materially affected the current quarter and financial year to date results.

A7. Debt and equity securities

There were no other issuance, cancellation, repurchases, resale and repayments of debt and equity securities for the current quarter and financial year to date, except the following:

(a) RM200.0 Million PDS Programme

- (i) On 6 February 2014, the Company issued RM50.0 million in nominal value of Private Debt Securities (PDS) pursuant to the PDS Programme; and
- (ii) On 1 October 2014, the Company issued another RM50.0 million in nominal value of PDS pursuant to the PDS Programme.

The PDS are perpetual in nature and are redeemable at the option of the Company on the 5th anniversary of the issue date.

(b) RM350.0 Million Sukuk Programme

- (i) On 23 June 2014, KDU University College Sdn Bhd (KDU), a wholly owned subsidiary of the Company, issued RM21.6 million in nominal value of Islamic Medium Term Notes, due on 26 June 2020 under the Sukuk Programme.
- (ii) On 3 October 2014, KDU issued another RM28.89 million in nominal value of Islamic Medium Term Notes, due on 26 June 2020 under the Sukuk Programme.

A7. Debt and equity securities (Cont'd)

- (c) **Renounceable rights issue of 84,452,864 new ordinary shares of RM0.50 each in Paramount Corporation Berhad (Paramount) (Rights Shares) at an issue price of RM1.10 per Rights Shares on the basis of one (1) Rights Share for every four (4) existing ordinary shares of RM0.50 each held in Paramount on 8 July 2014 (Rights Issue)**

On 14 April 2014, the Company announced to undertake a rights issue to its entitled shareholders on the basis of one (1) Rights Share for every four (4) existing ordinary shares of RM0.50 each held in Paramount.

Bursa Malaysia Securities Berhad granted its approval for the listing and quotation of the Rights Shares on the Main Market of Bursa Securities on 14 May 2014. The shareholders of the Company approved the Rights Issue at the Company's extraordinary general meeting held on 9 June 2014.

On 10 June 2014, the Company announced that the 84,452,864 Rights Share will be issued at an issue price of RM1.10 per Rights Share to raise gross proceeds of RM92.9 million. The entitlement date for the Rights Issue was on 8 July 2014.

The Rights Issue exercise was completed on 8 August 2014.

A8. Dividends paid

	9 months ended	
	30/9/2014 RM'000	30/9/2013 RM'000
Final dividends		
2013 - 5.50 sen single tier (2012 - 5.00 sen single tier)	18,580	16,891
Interim dividends		
2014 - 2.50 sen single tier (2013 - 2.50 sen single tier)	10,556	8,445
	<u>29,136</u>	<u>25,336</u>

A9. Profit before tax

The following items have been included in arriving at profit before tax:

	3 months ended 30 September		9 months ended 30 September	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Depreciation of:				
- Property, plant and equipment	3,112	3,443	9,302	10,151
- Investment properties	7	91	21	251
Additions of allowance for impairment of trade and other receivables	(149)	141	106	285
Bad debts written off	(22)	0	0	0
Gain on disposal of:				
- Property, plant and equipment	(369)	(48)	(369)	(48)
- Assets held for sale	0	0	(15,548)	(146)
Reversal of allowance for impairment of trade and other receivables	(49)	28	(64)	0
Net derivative (gain)/loss on interest rate swap	155	0	237	0
Net foreign exchange (gain)/loss	(110)	39	(466)	(619)

Save for the items disclosed in the Income Statement and the note above, other items pursuant to Appendix 9B Note16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

A10. Segment reporting for the current financial year to date

<u>Analysis by Business Segment</u>	Revenue		Profit before tax	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Property development	195,046	159,874	43,421	32,124
Construction	276,280	216,704	11,297	2,898
Education	97,026	91,557	19,245	19,096
Investment & others	51,705	31,132	40,814	18,646
	<u>620,057</u>	<u>499,267</u>	<u>114,777</u>	<u>72,764</u>
Inter-segment elimination	(267,670)	(122,637)	(45,574)	(18,981)
	<u>352,387</u>	<u>376,630</u>	<u>69,203</u>	<u>53,783</u>

A11. Carrying amount of revalued assets

The valuations of property, plant and equipment and investment properties have been brought forward without amendments from the financial statements for the financial year ended 31 December 2013.

A12. Subsequent events

There were no material events subsequent to the end of the current quarter that have not been reflected in the interim financial report except as disclosed in Note A7(a)(ii) and (b)(ii).

A13. Changes in composition of the Group

On 27 January 2014, the Company acquired a company, Seamless Cartel Sdn Bhd with an issued and paid up share capital of RM2, which subsequently changed its name to Paramount Property (PW) Sdn Bhd.

A14. Changes in contingent assets and contingent liabilities

There were no contingent assets or contingent liabilities of the Group since the last annual reporting date.

A15. Capital commitment

The amount of commitments not provided for in the interim financial statements as at 30 September 2014 is as follows:

	RM'000
Approved and contracted for:-	
Property, plant & equipment	56,650
Investment properties	68,662
Land held for development	9,288
	<u>134,600</u>
Approved but not contracted for:-	
Property, plant & equipment	27,902
Investment properties	11,871
Land held for development	11,056
	<u>50,829</u>
	<u>185,429</u>

A16. Capital expenditure

The major additions and disposals to the property, plant and equipment during the current quarter and financial year to date were as follows:

	Current Quarter RM'000	Financial Year-to-date RM'000
Property, plant and equipment Additions	58,897	124,560

A17. Related party transactions

	Financial Year-to-date RM'000
Purchase of computers and peripherals from ECS ICT Bhd and its subsidiaries, a group of companies in which Dato' Teo Chiang Quan, a director of the Company, has substantial interests	61
Rental charges paid to Damansara Uptown One Sdn Bhd, a company in which a brother of Dato' Teo Chiang Quan has substantial interest	466
Interior design contract charges paid to Damansara Uptown Interiors Sdn Bhd, a company in which a brother of Dato' Teo Chiang Quan has substantial interest	655
Sale of property to Mr Ooi Hun Peng, a director of subsidiary	620
	<u>1,802</u>

The directors are of the opinion that all the above transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

3Q2014 vs 3Q2013

Group revenue for 3Q2014 decreased marginally by 3% to RM120.4 million (3Q2013: RM123.6 million) due to the Property Division's construction segment winding down its external projects to focus on internal projects. Profit before tax (**PBT**), however, increased by 18% to RM20.6 million (3Q2013: RM17.5 million) due to higher PBT recorded by both the Property and Education Divisions.

Within the Property Division (comprising property development and construction), revenue from property development improved by 39% to RM71.0 million (3Q2013: RM51.2 million) due to the higher progressive billings registered on the new launches from the Utropolis in Glenmarie, Shah Alam and Sekitar26 Business in Shah Alam development projects. The construction activities on these multiple development projects boosted the performance of the construction segment increasing revenue by 23% to RM92.8 million (3Q2013: RM75.2 million). The revenue from construction after eliminating the internal construction projects decreased by 58% to RM16.9 million (3Q2013: RM40.5 million) for the same reason as explained in the preceding paragraph.

As a result of the higher revenue, PBT for property development increased by 59% to RM14.8 million (3Q2013: RM9.3 million), while that of construction decreased by 57% to RM1.2 million (3Q2013: RM2.8 million)

Revenue for the Education Division (comprising the primary & secondary school and the tertiary education) maintained at RM31.7 million (3Q2013: RM31.4 million).

PBT for the education division, increased by 29% to RM6.2 million (3Q2013: RM4.8 million) due to higher PBT recorded by the primary & secondary school.

9M2014 vs 9M2013

Group revenue for 9M2014 decreased by 6% to RM352.4 million (9M2013: RM376.6 million) due to the Property Division's construction segment winding down its external projects to focus on internal projects. PBT, however, increased by 29% to RM69.2 million (9M2013: RM53.8 million) due to higher PBT recorded by the Property Division.

Within the Property Division, revenue from property development increased by 22% to RM195 million (9M2013: RM159.9 million) due to the higher progressive billings registered on the new launches from the Sejati Residences in Cyberjaya, Utropolis and Sekitar26 Business development projects. The construction activities on these multiple development project boosted the performance of the construction segment increasing revenue by 28% to RM276.3 million (9M2013: RM216.7 million). The revenue from construction after eliminating the internal construction projects decreased by 53% to RM58.5 million (9M2013: RM123.9 million).

PBT for property development increased by 35% to RM43.4 million (9M2013: RM32.1 million) attributable to higher progressive billings and a gain of RM7.3 million recorded on the disposal of a 6-acre land in Bandar Laguna Merbok earmarked for the development of "Kip-Mart", a wet and dry hypermarket, to add vibrancy to the development and support the Group's strategy of investing and reinvesting in the communities that we build. PBT for construction increased by 290% to RM11.3 million (9M2013: RM2.9 million) due to higher progressive billings and a gain of RM5.7 million recorded on the disposal of a 26-acre land in Bukit Beruntung, a contra-property, which the Group found not feasible for development.

Revenue for the education division increased by 6% to RM97 million (9M2013: RM91.6 million) due to higher revenue registered by the primary and secondary school segment.

PBT for the education division was maintained at the previous year's level of RM19.2 million. This was mainly due to the higher losses incurred by KDU University College.

B2. Material changes in Profit Before Tax for the quarter reported on as compared with the immediate preceding quarter

For 3Q2014, Group PBT decreased by 17% to RM20.6 million (2Q2014: RM24.8 million).

B3. Prospects

The Property Division is expected to maintain its performance in the remaining quarter of the year attributable to its carried forward lock-in sales and higher progressive billings.

The Education Division continues to operate in a challenging environment. Despite the headwinds, the primary and secondary schools with their strong value proposition and brand name will continue to perform well and drive the performance of the Education Division.

Overall, barring any unforeseen circumstances, the performance of the Group is expected to be better than that of the previous year.

B4. Profit forecast or profit guarantee

There were no profit forecast or profit guarantee for the current quarter and financial year to date.

B5. Taxation

The taxation charge included the following:

	Current Quarter RM'000	Financial Year-to-date RM'000
Income tax	5,225	15,526
Deferred tax	(874)	(311)
	<u>4,351</u>	<u>15,215</u>

The effective tax rate for the financial period was lower than the statutory income tax rate in Malaysia due to the gain of RM15.5 million on disposal of lands which was not subject to income tax.

B6. Corporate proposal

(a) On 25 March 2014, the Company entered into a Purchase and Development Agreement (the PDA) with Penang Development Corporation for the proposed acquisition of a piece of freehold land measuring in total area approximately 30.7 acres situated at Batu Kawan, Mukim 13, District of Seberang Perai Selatan, State of Penang at a total cash consideration of RM67,007,594.40 only upon such terms and conditions as contained in the PDA. The purchase was completed on 24 July 2014.

(b) The status of utilisation of proceeds arising from the Rights Issue as disclosed in A7(c) as at 20 November 2014 is as follow:

Purpose	Proposed Utilisation	Actual Utilisation	Balance
	RM'000	RM'000	RM'000
(i) Repayment of existing bank borrowings	40,000	0	40,000
(ii) Working capital purposes	50,968	28,560	22,408
(iii) Defray Rights Issue related expenses	1,930	1,154	776
Total	<u>92,898</u>	<u>29,714</u>	<u>63,184</u>

B7. Borrowings and debts securities

The Group's borrowings and debts securities as at 30 September 2014 were as follows:

	RM'000
<u>Short-term borrowings (Secured)</u>	
Current portion of long term loans	83,488
<u>Long-term borrowings (Secured)</u>	
Term loans	189,983
Islamic Medium Term Notes	77,146
	<u>267,129</u>

B8. Realised and unrealised profits

The breakdown of retained profits as at 30 September 2014 and 30 September 2013 on a group basis, into realised and unrealised profits, is as follows:

	30/9/2014 RM'000	30/9/2013 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	749,645	641,159
- Unrealised	(9,129)	(8,233)
	<u>740,516</u>	<u>632,926</u>
Total share of loss from associate		
- Realised	(438)	(190)
Less: Consolidation adjustments	(199,271)	(129,525)
Total Group retained profits	<u>540,807</u>	<u>503,211</u>

B9. Derivative financial instrument

The outstanding interest rate swap contracts as at 30 September 2014 are as follows:

	Contract amount RM'000	Fair value Assets/ (Liabilities) RM'000
Interest rate swap*		
- More than 3 years	62,700	157
- More than 3 years	57,000	(294)

* The contracts effectively swapped the Group's floating interest rate to fixed interest rate to hedge against interest rate fluctuation.

B10. Fair value gain/(loss)

	Current Quarter RM'000	Financial Year-to-date RM'000
Interest rate swap	(155)	(237)

Basis of fair value measurement: The differences between floating and fixed interest rates.

Reason for loss: The floating interest rate has moved unfavourably against the Group from the last measurement date.

B11. Changes in material litigation

As at 20 November 2014, there were no changes in material litigation, including the status of pending litigation since the last annual reporting date of 31 December 2013.

B12. Dividends payable

The Board does not recommend the payment of any dividend for the current financial quarter ended 30 September 2014.

B13. Earnings per share

(a) Basic EPS

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Current Quarter	Financial Year-to-date
Profit for the period (RM'000)	14,635	52,376
Issued ordinary shares at beginning of year ('000)	337,812	337,812
Effect of Rights issue ('000)	63,918	36,538
Weighted average number of ordinary shares ('000)	<hr/> 401,730	<hr/> 374,350
Basic EPS (sen)	<hr/> 3.64	<hr/> 13.99

(b) Diluted EPS

Not applicable to the Group.